



ICRAF

# SUPPLIER CODE OF CONDUCT

June 2017



# SUPPLIER CODE OF CONDUCT

At the International Center for Research in Agroforestry (ICRAF) our mission is promote tree-based livelihoods and resilient landscapes at multiple scales by generating scientific evidence, enhancing capacities and influencing decision-making.

## 1. Purpose

In keeping with our mission, ICRAF is committed to ethical business practices and we hold our Suppliers to the same high standards of environmental, social responsibility and ethical conduct. It is ICRAF policy to comply with all applicable laws and regulations of the countries and regions in which we operate and to conduct our business activities in an honest and ethical manner.

ICRAF's Suppliers are required to provide safe working conditions, treat workers with dignity and respect, act fairly and ethically, and use environmentally responsible practices wherever they make products or perform services for ICRAF. ICRAF requires its Suppliers to operate at a minimum in accordance with the principles set forth in this ICRAF Supplier Code ("Code") and in full compliance with all applicable laws and regulations. This Code goes beyond mere compliance with the law by drawing upon internationally recognized standards to advance social and environmental responsibility.

## 2. Scope of Application

The provisions of this Code set forth ICRAF's expectations for all Suppliers that are registered with ICRAF or with whom it does business. ICRAF expects that these principles apply to Suppliers and their employees, parent, subsidiary or affiliate entities, and subcontractors. ICRAF expects Suppliers to ensure that this Code is communicated to their employees, parent, subsidiary and affiliated entities as well as any subcontractors, and that it is done in the local language and in a manner that is understood by all.

## 3. Compliance

ICRAF expects Suppliers to adhere to all applicable laws and regulations and in particular to the principles detailed herein, and strive to comply with international and industry standards and best practices.

## 4. Continuous Improvement

ICRAF expects, at a minimum, that Suppliers are in compliance with both international and industry best practices. The Code outlines the minimum standards for ICRAF Suppliers. As appropriate, preference will be given to Suppliers that demonstrate higher standards. ICRAF recognizes that reaching the standards established in this Code is a dynamic process and encourages Suppliers to continuously improve their operations, have appropriate management systems in place and take necessary steps to comply with this code.

## 5. Application

Acknowledgement of the Code is a pre requisite in every ICRAF contract for supply. Through the acceptance of the Purchase Order, making reference to the Code, the Supplier commits that all its operations are subject to the provisions contained in this Code. This Code, or the demonstration of its compliance, does not create any third-party beneficiary rights for the



## SUPPLIER CODE OF CONDUCT

Supplier. The standards of the Code are in addition to, and not in lieu of, provisions of any legal agreement or contract between Suppliers and ICRAF.

### **6. Management Commitment**

ICRAF believes that sound management systems and commitment are key to enriching the social and environmental well-being of our supply chain. ICRAF holds its Suppliers accountable to this Code and all of its standards. Suppliers shall implement or maintain, as applicable, a management system that facilitates compliance with this Code and the law, identifies and mitigates related operational risks, and facilitates continuous improvement.

### **A. HUMAN RIGHTS**

Suppliers are committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

#### *Antidiscrimination*

Suppliers and sub-contractors will consider employees for positions on the basis of their qualifications and abilities. Supplier shall not discriminate against any worker based on nationality, language, race, ethnicity, gender, age, location, sexual orientation, personality, disability, family status or responsibilities, religion or belief, social class or any other areas of potential difference.

#### *Anti-Harassment and Abuse*

Supplier shall commit to a workplace free of harassment and abuse. Supplier shall not threaten workers with, or subject them to, harsh or inhumane treatment, including but not limited to verbal abuse and harassment, psychological harassment, mental and physical coercion, and sexual harassment.

#### *Working Hours*

Supplier shall ensure that working hours as provided for in any employment legislations or regulations in force from time to time or in any collective bargaining agreement entered into with the employee's trade union are observed, except in emergencies or unusual situations. Supplier shall furthermore ensure that workers are provided at least one day off during any seven day working period. At a minimum, working hours should reflect applicable legal norms and overtime hours should be paid at the legally mandated premium or at least at the same rate as regular hours worked if there is no mandated premium.

#### *Wages and Benefits*

Supplier shall ensure the payment of wages in legal tender, at regular intervals no longer than one month, in full and directly to the workers concerned. Suppliers should keep an appropriate record of such payments. Deductions from wages are permitted only under conditions and to the extent prescribed by the applicable law, regulations or collective agreement, and Suppliers should inform the workers concerned of such deductions at the time of each payment. The wages, hours of work and other conditions of work provided by Suppliers should be not less favourable than



## SUPPLIER CODE OF CONDUCT

the best conditions prevailing locally (i.e., as contained in: (i) collective agreements covering a substantial proportion of employers and workers; (ii) arbitration awards; or (iii) applicable laws or regulations), for work of the same character performed in the trade or industry concerned in the area where work is carried out. If there is no legal minimum wage, Suppliers must ensure that wages are at least comparable to those at similar companies in the local area or to prevailing industry norms.

Suppliers and their sub-contractors will recognize that wages are essential to meeting employees' basic needs and will make every effort to ensure that workers receive wages that meet basic needs by local standards.

### **B. HEALTH AND SAFETY**

Workers health, safety, and well-being is important to ICRAF. We expect our Suppliers to strive to implement the standards of occupational health and safety at a high level. Suppliers shall comply with applicable occupational health and safety regulations and provide a work environment that is safe and conducive to good health, in order to preserve the health of employees and prevent accidents, injuries and work related illnesses.

Suppliers shall identify, evaluate, and manage occupational health and safety hazards through a prioritized process of hazard elimination, engineering controls, and/or administrative controls. Suppliers shall provide workers with job-related, appropriately maintained personal protective equipment and instruction on its proper use. Health and safety practices must comply with all relevant local and national laws and regulations.

#### ***Emergency Prevention, Preparedness, and Response***

Suppliers shall identify and assess potential emergency situations. For each situation, Suppliers shall develop and implement emergency plans and response procedures that minimize harm to life, environment, and property.

#### ***Product Quality and Safety***

All products and services delivered by the Suppliers must meet the quality and safety standards required by applicable law. When conducting business with or on behalf of ICRAF, Suppliers must comply with the ICRAF quality requirements.

#### ***Industrial Hygiene***

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures.

When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment programs.

#### ***Physically Demanding Work***

Worker exposure to the hazard of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.



## SUPPLIER CODE OF CONDUCT

### C. ENVIRONMENT

ICRAF is committed to protecting the environment, and environmental responsibility is at the core of how we operate. ICRAF expects its Suppliers to have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment. Suppliers should wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices.

#### *Hazardous Materials and Product Safety*

Suppliers shall identify hazardous materials, chemicals and substances, and ensure their safe handling, movement, storage, recycling, reuse and disposal. All the applicable laws and regulations related to hazardous materials, chemicals and substances shall be strictly followed. Suppliers shall comply with material restrictions and product safety requirements set by applicable laws and regulations. Suppliers shall ensure that key employees are aware of and trained in product safety practices.

#### *Environmental Permits and Reporting*

Suppliers shall make sure that it obtains, keeps current, and follows the reporting guidelines of all the required environmental permits and registrations to be at any time legally compliant.

#### *Resource Consumption, Pollution Prevention and Waste Minimisation*

Suppliers shall optimise consumption of natural resources, including energy and water. Suppliers shall implement and demonstrate sound measures to prevent pollution and minimize generation of solid waste, wastewater and air emissions. Prior to discharge or disposal, supplier shall characterize and treat wastewater and solid waste appropriately and according to applicable laws and regulations.

### D. ETHICS

ICRAF expects the highest standards of ethical conduct in all of our endeavors. Suppliers shall always be ethical in every aspect of its business, including relationships, practices, sourcing, and operations.

#### *Business Integrity*

Suppliers shall not engage in corruption, extortion, embezzlement, kickbacks or bribery to obtain an unfair or improper advantage. Supplier shall abide by all applicable anti-corruption laws and regulations of the countries in which it operates and applicable international anti-corruption conventions.

#### *Anti-Money Laundering and Anti-Terrorism Financing*

Suppliers shall comply with all statutory and other requirements relating to Anti Money Laundering and Anti-Terrorism Financing. Suppliers and their subcontractors shall not enter into any agreement or engage in any transaction or arrangement with anyone in connection with any monies or property which the Suppliers know or ought to reasonably have known is or forms



## SUPPLIER CODE OF CONDUCT

part of illegally obtained funds or proceeds of crime which has the effect of attempting to disguise or conceal the nature, source, location, disposition or ownership of illegally obtained funds or proceeds of crime or in any way attempt to disguise the sources of illegally-obtained funds. Suppliers shall not promote or engage in violence, terrorism, bigotry or the destruction of any state, and that the Suppliers shall take reasonable measures in the prevailing circumstances to prevent any dealings that support, or promote violence, terrorist activities or related training or radicalism. This includes termination of contracts and not subcontracting any firms engaging in these activities.

### *Conflict of Interest*

ICRAF Suppliers are required to identify and disclose any interests that might conflict or appear to conflict with the goods or services they are providing to ICRAF. This includes disclosing if any ICRAF staff or professional under contract with ICRAF may have an interest of any kind in the supplier's business or any kind of economic ties with the supplier.

### *Fair Business, Advertising and Competition*

Standards of fair business, advertising and competition are to be upheld. Means to safeguard customer information should be available and in use.

### *Gifts and Hospitality*

Suppliers shall ensure that any expenditure incurred in relation to any particular ICRAF employee is in the ordinary and proper course of business and cannot reasonably be construed as a bribe or so as to secure unfair preferential treatment. A general guideline for evaluating whether a business courtesy is appropriate is whether public disclosure would be embarrassing to the Supplier or ICRAF.

ICRAF employees may accept **unsolicited** gifts of nominal value provided that:

- a) They are advertising or promotional materials having wide distribution e.g. calendars, stationary;
- b) Acceptance of the gift does not contravene any law or regulation, and would not compromise ICRAF's integrity or that of the Supplier;
- c) It cannot be construed as an attempt to bribe or influence, or as a form of payment for a particular transaction or a referral;
- d) It would not adversely affect our reputation or the reputation of the supplier if knowledge of the gift was to become public;
- e) It is not in cash or readily convertible to cash (such as securities, cheques or money orders); and/or
- f) It is consistent with accepted business practices in our regions of operation.

### *Disclosure of Information*

Suppliers shall accurately record information regarding its business activities, labor, health and safety, and environmental practices and shall disclose such information, without falsification or misrepresentation, to all appropriate parties.



## SUPPLIER CODE OF CONDUCT

### *Intellectual Property*

Suppliers shall take appropriate steps to safeguard and maintain confidential ICRAF's proprietary information and use such information only for the purposes authorized for use by the contractual agreement. In case of sub-contracting, sharing of confidential information should be made only with the consent of ICRAF.

### *Documentation and Records*

Suppliers shall have processes to identify, understand, and implement applicable laws and regulations and requirements of this Code. Suppliers shall maintain documents and records to ensure regulatory compliance. These records shall be made available to ICRAF upon reasonable request.

### *Corrective Action Process*

Suppliers shall have processes for timely correction of any deficiencies or violations identified by an internal or external audit, assessment, inspection, investigation, or review.

### *Licences and Returns*

Suppliers shall comply with any law or regulations and obtain all permits, licences and authorisations required for it to carry out its business. These documents shall be made available to ICRAF upon reasonable request.

### *Whistleblower Protection and Anonymous Complaints*

Suppliers shall provide an anonymous complaint mechanism for managers and workers to report workplace grievances. Suppliers shall protect whistleblower confidentiality and prohibit retaliation.

## **E. MODIFICATIONS AND AMENDMENTS**

ICRAF reserves the right to modify or amend this Code at any time.

*Note: ICRAF may terminate its relationship with any Supplier found to be in violation of these standards or for any other reason consistent with ICRAF's agreement with such a Supplier. Non-adherence to these principles will also be a factor in considering whether a supplier is deemed eligible to be registered as an ICRAF supplier or to do business with ICRAF.*

### **REFERENCES:**

The following standards were used in preparing this Code and may be a useful source of additional information.

ILO Code of Practice in Safety and Health, ILO International Labor Standards, United Nations Convention Against Corruption, United Nations Global Compact, Universal Declaration of Human Rights, Ethical Trading Initiative, OHSAS 18001





# SUPPLIER CODE OF CONDUCT

## NEXT STEPS:

### I. Reporting Violations

Suppliers shall report any suspected violations of regulations, laws and the Code by ICRAF Suppliers or staff. Violations should be reported to the contact person, or can be reported confidentially using one of the available channels:

- a) the Fraud/Whistleblowing Hotline (+254 20 722 4050);
- b) the fraud email account (auditfraud@cgiar.org; icrafwhistleblower@cgiar.org)
- c) letter to the Head of Internal Audit.

### II. Supplier's Acknowledgement

We, the undersigned hereby confirm that:

- We have received and taken due note of the contents of ICRAF Supplier Code of Conduct.
- We are aware of all relevant laws and regulations of the countries in which our company operates,
- We will report to ICRAF any case of violations of the Code,
- We will comply with the ICRAF Code requirements based on a development oriented approach and without amendment or abrogation,
- We will inform all of our employees/subcontractors of the content of the ICRAF Code, and that we will ensure that they also comply with the provisions incorporated therein.

We hereby authorise ICRAF or any organizations acting on behalf of ICRAF to carry out audits with or without notice at our premises and the business premises of our subcontractors at any time to verify compliance with the ICRAF Supplier Code of Conduct content.

Name of Company \_\_\_\_\_

Name and Title \_\_\_\_\_

Signature, Company Stamp/Seal \_\_\_\_\_

Company's Business Registration/PIN Number \_\_\_\_\_

Date \_\_\_\_\_

This document must be signed by an authorized representative of the Supplier & returned to ICRAF.